

# LOCAL AGENCY FORMATION COMMISSION COUNTY OF SAN BERNARDINO

175 West Fifth Street, Second Floor, San Bernardino, CA 92415-0490  
• (909) 387-5866 • FAX (909) 387-5871  
E-MAIL: [lafco@lafco.sbcounty.gov](mailto:lafco@lafco.sbcounty.gov)  
[www.sbclafco.org](http://www.sbclafco.org)

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**DATE:** APRIL 10, 2006  
**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
**TO:** LOCAL AGENCY FORMATION COMMISSION

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**SUBJECT: Agenda Item #15: PENDING LEGISLATION**

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## **RECOMMENDATION:**

Receive the information on pending legislation and provide direction to staff on the preferred approach to the issue of principal county definition in sphere of influence changes and municipal service reviews.

## **BACKGROUND:**

Staff was unable to provide a Legislative Report at the last hearing, so the March Report is attached for information.

New developments during the past month include the introduction of the CALAFCO-sponsored Omnibus Bill, AB 3074. This bill is intended to provide minor, non-controversial changes. Based upon that position, the following requests for changes have been removed from the bill. Their future unknown is unknown at the present time.

1. Extension of the island annexation provisions to January 1, 2014. Presently, the island annexation provisions will expire as of January 1, 2007. Any island application not completed by December 31, 2006 will be terminated.
2. Deletion of sunset date for certain provisions for spheres of influence.
3. Exclusion of entities regulated by the PUC that own highways, right-of-way, easements, etc. from the definition of landowner. This was requested to streamline the process for landowner notification and protest proceedings.
4. Giving LAFCO the explicit authority to initiate the formation of a new district to ensure the continuation of services provided by districts proposed to be consolidated, dissolved or otherwise reorganized.

As previously reported, the CALAFCO Legislative Committee had discussed changes for Government Code Section 56133 (out-of-agency service agreements) as a potential part of the Omnibus Bill. However, the topic was hotly debated among LAFCOs; therefore, could not meet the criteria of a “minor, non-controversial” change and was pulled for further discussion.

Finally, as previously reported in the March Legislative Report, there has been a recent court decision, Placer County LAFCO v. Nevada County LAFCO, related to questions about the authority and responsibility for determining a multi-county district sphere of influences. A copy of the article and the court case was included in the March report (copy attached). The decision rendered at the appellate court level was that a “principal county” has the authority to determine the sphere of influence and conduct the mandatory municipal service review. Principal County is defined by LAFCO law as the county with the majority of the assessed valuation of the special district. As the article indicates, this decision provides for the potential of overlapping spheres of influence.

We have a number of agencies for which San Bernardino County is determined to be the principal county – such as, Yucaipa Valley Water District, Inland Empire Resource Conservation District, and San Bernardino Valley Municipal Water District, all with territory within Riverside County. For these agencies, we conduct the annexation considerations, even for the territory in Riverside County, unless there is agreement by the Commission to transfer this responsibility. However, the sphere of influence for each of these agencies within Riverside County is determined by Riverside LAFCO. In addition, we have a number of agencies for which Kern County LAFCO would be the principal county, but to date no sphere of influence assignment has been made by San Bernardino LAFCO.

San Bernardino LAFCO has always operated under the premise that the definition of Principal County related to only the changes of organization or reorganization as outlined in Government Code Section 56066. Riverside and San Bernardino LAFCOs have successfully operated under this principle for many years. During our current service reviews, we have discovered Kern County agencies within San Bernardino County in the northwestern portion of the County where annexations have occurred without a sphere designation being coordinated with our office.

Staff is concerned that this judicial decision requires a LAFCO in another county to decide the planning area for these multi-county agencies, without the mandate for coordination, without the familiarity of land use authorities or special circumstances of the area, etc. As a planning tool, the sphere is to look at land use considerations and the need for services based upon those considerations. The evaluation of those criteria, in staff's opinion, is best handled by the County LAFCO where the territory resides. Staff is requesting that the Commission provide its direction as to whether you support the staff working with the CALAFCO Legislative Committee to propose statutory clarification that the sphere of influence should be determined by the LAFCO in which the territory lies or that for a multi-county

agency the principal county should be mandated to coordinate with the home LAFCO and give serious consideration to its determinations.

KRM/

Attachments:

1. AB 3074 LAFCO Omnibus Bill
2. [March 2006 Legislative Report including copy Placer County LAFCO v. Nevada County LAFCO](#)